

Small Employer Health Options (SHOP) Exchange Advisory Committee Meeting

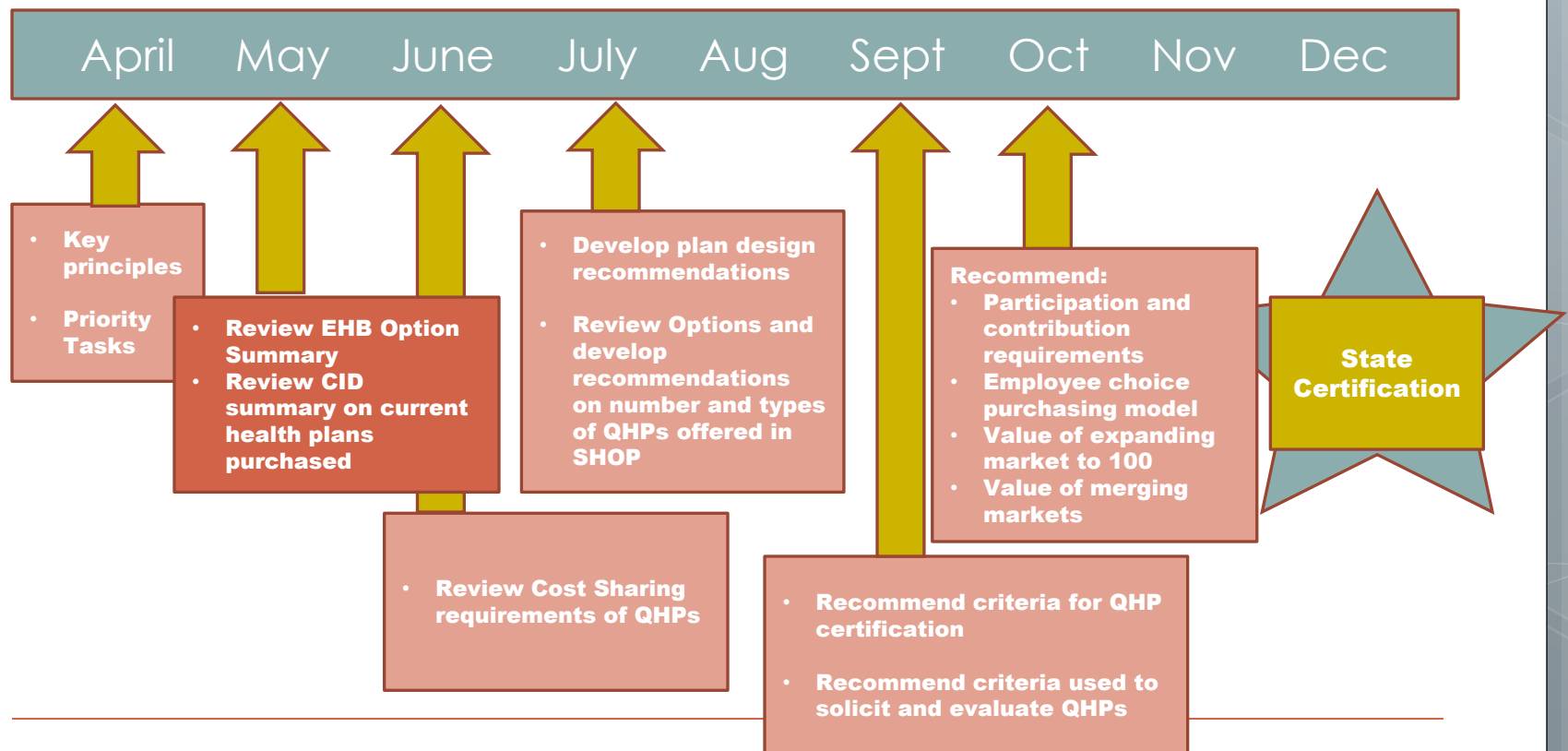
Connecticut Health Insurance Exchange
May 14, 2012 at 1:00 – 3:00 p.m.

Agenda

- Call to Order and Introductions (1:00-1:10)
- Committee Guiding Principles (1:10-1:20)
- Briefing: EHB and Benchmark Plans (1:20-2:00)
- Summary of Carrier Concerns (2:00-2:15)
- KPMG Review of Consumer Assistance Programs (2:15-2:35)
- Next Steps (2:35-2:40)
- Public Comment (2:40-2:50)
- Adjournment (3:00)

SHOP

Committee Focus: State Certification



Committee | Guiding Principles

- The SHOP Exchange should provide employees with a choice of health plans from a number of health insurers.
- The SHOP Exchange should strive to increase the number of employers that offer employer-sponsored health insurance.
- The SHOP Exchange purchasing model should be structured so that employee choice does not result in risk selection problems for health insurers, and adversely affect the cost of coverage.

Committee | Principles, continued

- The SHOP Exchange should minimize any unintended harm to the existing small group health insurance marketplace.
- The SHOP Exchange should minimize the administrative and financial burden to all involved in the Exchange, including but not limited to employers, employees, insurers and providers.
- Whenever feasible, the SHOP Exchange should leverage existing resources and technology to keep costs down.

Essential Health Benefits

1. Role of CT Exchange and CT Exchange Advisory Committees
2. Overview of Qualified Health Plans and Essential Health Benefits
3. Affordable Care Act (ACA) requirements
4. Treatment of state mandated benefits
5. HHS benchmark plan approach
6. Connecticut's benchmark plan options
7. Next steps
8. Resources

EHB | Role of CT Exchange

- Decision regarding Essential Health Benefits package for Connecticut affects the entire individual and small group markets, not just the Exchange
- Advisory Committees' discussion provides an opportunity for input on EHB from stakeholders
- Advisory Committees will review and make recommendations to CT Exchange Board in June
- CT Exchange Board will review AC recommendations and develop Board EHB recommendation for the State in July
- The State will need to decide EHB no later than September 2012

EHB | Overview

Qualified Health Plans

- ACA requires all health plans sold in the individual and small group markets, inside and outside the Exchange, to meet minimum requirements (i.e., **Qualified Health Plans** (QHP))
- QHPs must cover the **Essential Health Benefits** (EHB), which includes an array of services within ten broad categories
- EHB determines the services covered, not the cost sharing that will apply to EHBs within the various actuarial value tiers (i.e., platinum, gold, silver, bronze and catastrophic)

EHB | Overview

- ACA directs the Secretary of HHS to determine services within each category of care that is considered “essential”
- Secretary of HHS issued a [bulletin](#) in December 2011 directing each state to determine its own EHB, within certain parameters, for 2014 and 2015
- Bulletin identifies 10 benchmark plans for EHB:
 - Three small group plans with the largest enrollment
 - Three state employee plans with the largest enrollment
 - Three Federal Employee Health Benefit Plans (FEHBP) with the largest enrollment
 - Non-Medicaid HMO plan with the largest enrollment
- Default EHB package will be the plan with the small group market plan with the largest enrollment
- Benchmark plan may need to be supplemented if it does not cover a category of care (e.g., pediatric dental/vision, habilitative services)

EHB | Ten Broad Categories

Essential Health Benefits

Ambulatory patient services

Emergency services

Hospitalization

Maternity and newborn care

Mental health and substance use disorder services, including behavior health treatment

Prescription drugs

Rehabilitative and habilitative services and devices

Laboratory services

Preventive and wellness services and chronic disease management

Pediatric services, including oral and vision care

EHB | State Mandated Benefits

- Pursuant to the ACA, for coverage purchased through the Exchange, states may be required to cover the cost of state mandated benefits that do not fall within the definition of EHB
- Initial approach taken by HHS provides state with the ability to select a benchmark plan that includes state mandates, thereby eliminating the potential fiscal impact to the state – at least in 2014 and 2015
- HHS plans to reevaluate EHB for plan year 2016

EHB | Benchmark Approach

Carrier Flexibility

- Once a state has chosen a benchmark plan, all plans in the individual and small group markets will be required to offer benefits that are “substantially equal” to the benchmark plan
- Carriers will have some flexibility to adjust the specific services that are included as part of the benefits package, as well as any limits on services, so long as the coverage has the same value as the benchmark plan

Updating Benchmark Plans

- HHS expects that the EHB benchmark options will be updated in the future to ensure that benefits reflect the most current and appropriate medical practices and insurance market practices.

EHB | CT's Benchmark Plan Options

- In December 2011, the Connecticut Insurance Department (CID) surveyed the major carriers in the state regarding plan designs in the small group market
- All nine benchmark plans (the state's largest HMO is also one of the largest small group plans) cover services in most of the 10 required categories of benefits
- The state will need further information on coverage for:
 - (1) Rehabilitative and habilitative services;
 - (2) Wellness programs; and
 - (3) Pediatric dental and vision.

EHB | CT's Benchmark Plan Options

Services	Small Group Products			State Employee Plans	Federal Employee Plans	
	Oxford PPO	Anthem BCBS HMO	Largest HMO		BCBS Standard and Basic Options	GEHA Standard Option
		ConnectiCare HMO				
Ambulatory Patient Services						
Primary Care Visit to Treat an Injury or Illness	yes	yes	yes	yes	Yes	Yes
Specialist Visit	yes	yes	yes	yes	Yes	Yes
Other Practitioner Office Visit (Nurse, Physician Assistant)	yes	yes	yes	yes	Yes	Yes
Outpatient Surgery Physician/Surgical Services	yes	yes	yes	yes	Yes	Yes
Outpatient Facility (e.g., Ambulatory Surgery Center)	yes	yes	yes	yes	Yes	Yes
Home Health Care Services	30 visits	100 visits	100 visits	yes	Yes	Yes
Skilled Nursing Facility	30 days	90 days	90 days	yes	Yes	Yes
Emergency Services						
Emergency Room Services	yes	yes	yes	yes	Yes	Yes
Emergency Transportation/Ambulance	yes	yes	yes	yes	Yes	Yes
Urgent Care Centers or Facilities	yes	yes	yes	yes	Yes	Yes

EHB | CT's Benchmark Plan Options

Services	Small Group Products			State Employee Plans	Federal Employee Plans	
	Oxford PPO	Anthem BCBS HMO	Largest HMO		BCBS Standard and Basic Options	GEHA Standard Option
			ConnectiCare HMO			
Hospitalization						
Inpatient Hospital Services (e.g., Hospital Stay)	yes	yes	yes	yes	Yes	Yes
Inpatient Physician and Surgical Services	yes	yes	yes	yes	Yes	Yes
Maternity and Newborn Care						
Prenatal and Postnatal Care	yes	yes	yes	yes	Yes	Yes
Delivery and All Inpatient Services for Maternity Care	yes	yes	yes	yes	Yes	Yes
Mental Health and Substance Use Disorder Services, Including Behavioral Health Treatment						
Mental/Behavioral Health Inpatient Services	yes	yes	yes	yes	Yes	Yes
Mental/Behavioral Health Outpatient Services	yes	yes	yes	yes	Yes	Yes
Substance Abuse Disorder Inpatient Services	yes	yes	yes	yes	Yes	Yes
Substance Abuse Disorder Outpatient Services	yes	yes	yes	yes	Yes	Yes

EHB | CT's Benchmark Plan Options

Services	Small Group Products			State Employee Plans	Federal Employee Plans	
	Oxford PPO	Anthem BCBS HMO	Largest HMO		BCBS Standard and Basic Options	GEHA Standard Option
		ConnectiCare HMO				
Prescription Drugs						
Generic Drugs	yes	yes (rider)	yes (rider)	yes (rider)	Yes	Yes
Preferred Brand Drugs	yes	yes (rider)	yes (rider)	yes (rider)	Yes	Yes
Non-Preferred Brand Drugs	yes	yes (rider)	yes (rider)	yes (rider)	Yes	Yes
Rehabilitative and Habilitative Services and Devices						
Outpatient Rehabilitation Services	yes, 60 days per condition	yes	yes, 90 days	yes	Yes	Yes
Habilitation Services	Covers PT/ST/OT for conditions such as autism	Covers PT/ST/OT for conditions such as autism	Covers PT/ST/OT for conditions such as autism	Covers PT/ST/OT for conditions such as autism	Covers PT/ST/OT for conditions such as autism	Covers PT/ST/OT for conditions such as autism
Durable Medical Equipment	yes	yes	yes	yes	Yes	Yes
Laboratory Services						
Diagnostic Test (X-Ray and Laboratory Tests)	yes	yes	yes	Yes	Yes	Yes
Imaging (CT and PET Scans, MRIs)	yes	yes	yes	Yes	Yes	Yes

EHB | CT's Benchmark Plan Options

Services	Small Group Products			State Employee Plans	Federal Employee Plans	
	Oxford PPO	Anthem BCBS HMO	Largest HMO		BCBS Standard and Basic Options	GEHA Standard Option
		ConnectiCare HMO				
Preventive and Wellness Services and Chronic Disease Management						
Preventive Care/Screening/Immunization	yes	yes	yes	yes	Yes	Yes
Pediatric Services, Including Oral and Vision Care						
Dental Check-Up for Children	yes	yes	yes	yes	Yes	Yes
Vision Screening for Children	Yes	Yes	yes	yes	Yes	Yes
Eye Glasses for Children	not specified	not specified	not specified	not specified	No	No

EHB | Next Steps

- Provide additional information, as necessary, to Advisory Committee members
- Draft recommendation based on input from Advisory Committees
- Distribute draft recommendation, discuss and prepare final recommendation for Exchange Board – June 2012
- Exchange Board review Advisory Committee recommendation and submit Board recommendation to Administration – July 2012
- The State reviews options, considers recommendation, and selects EHB benchmark plan for Connecticut for 2014 and 2015 – September 2012

EHB | Resources

COMMENTS on EHB Guidance

Essential Health Benefits Coalition

- Organization representing large and small employers from various sectors of the U.S. economy, pharmacy benefit managers, providers, and health and dental plans operating in every state
- Comments emphasized: plan affordability; medical necessity of state mandates; clarification of relationship of EHB to broader design of QHP; prescription drug coverage design (oppose deferring to Medicare Part D standard); process of updating EHB
- <http://ehbcoalition.org/wp-content/uploads/2012/02/EHBC-Comments.pdf>

National Health Council

- Comments emphasized: guarantee children's specific needs met and look to example set by Medicaid; explicitly define pediatric services, including oral and vision care; define medical necessity; limit insurer flexibility; assure transparent process of developing/updating EHB
- http://www.statereforum.org/system/files/ehb_bulletin_comments.pdf

Community Catalyst

- Consumer advocacy group issued a set of principles for EHB advocacy that are intended to unite consumer groups in their advocacy efforts.
- http://www.communitycatalyst.org/doc_store/publications/Principles_EHB_Advocacy.pdf

EHB | Resources

National Health Law Program (NHeLP)

- the NHeLP protects and advances the health rights of low income and underserved individuals. The oldest non-profit of its kind, NHeLP advocates, educates and litigates at the federal and state level. FAQ
- Comments to Essential Health Benefits FAQ :
http://www.healthlaw.org/images/stories/NHeLP_EHB_FAQ_Comments_03.23.2012.pdf

National Health Council

- NHC provides a united voice for the millions of people with chronic diseases and disabilities and their family caregivers
- Information on EHB:
<http://www.nationalhealthcouncil.org/pages/page-content.php?pageid=78>

Other Documents

- December Bulletin:
http://cciio.cms.gov/resources/files/Files2/12162011/essential_health_benefits_bulletin.pdf
- February FAQ: <http://cciio.cms.gov/resources/files/Files2/02172012/ehb-faq-508.pdf>
- “Essential Health Benefits: Comparing Benefits in Small Group Products and State and Federal Employee Plans” (from Assistant Secretary for Planning and Evaluation):
<http://aspe.hhs.gov/health/reports/2011/MarketComparison/rb.shtml>

Carrier | Comments & Concerns

From **Connecticut Association of Health Plans**

- Exchange must adopt fair, objective standards for health plan participation
 - Facilitator model, not an active purchaser
 - No additional issuer or product requirements
 - Consistent enrollment rules inside and outside the Exchange
- Promote competition, choice and innovation in product offerings
 - Carrier flexibility to design and offer products that meet actuarial value (AV) and essential health benefits (EHB) requirements
 - Participation in the Exchange should not be tied to participation in other markets

Carrier | Comments & Concerns, continued

- Do not duplicate or create additional regulatory requirements
 - CID should retain its regulatory authority, including the authority to approve products and rates
- Minimize disruption to the existing marketplace
 - Adopt policies that minimize any further disruption, such as maintaining the current definition of small group through 2015 and maintaining separate individual and small group risk pools

Carrier | Comments & Concerns, continued

- Encourage participation while preventing adverse selection.
 - Help individuals obtain and maintain coverage with a consumer-focused approach to eligibility and enrollment
- Let health plans know very soon what the requirements will be to participate on the Exchange
 - Many important issues and questions remain
- Issuers need additional clarity (final decisions, final rules, etc.) on some federal issues as soon as possible, in order to have enough time to develop products for a fall 2013 open enrollment period

KPMG | Consumer Experience Current State Blueprint

- Introductions
- Consumer Assistance Analysis
- Current State Blueprint
- Business Process Flows
- Key Observations
- Questions and Answers

Introduction

State of Connecticut
Health Insurance Exchange

Technical Advisory Assistance

Roger Albritton, Director
KPMG LLP

Consumer Assistance Analysis Deliverables

Current State Blueprint

Consumer Experience Business and Technical Requirements

Consumer Experience Procurement Strategy

Technical Requirements and Contract Specifications

Current State Blueprint: Approach

Major State agencies interviewed for this assessment:

CID

Connecticut Insurance
Department

- Provides consumer inquiry assistance and complaint resolution

OHA

Office of the State
Healthcare Advocate

- Provides consumer inquiry assistance and complaint resolution

DSS

Department of Social
Services

- Provides consumer inquiry assistance, complaint resolution, and application processing services
- Contracts with Affiliated Computer Services (ACS), CT United Way, and Pool Administrators Inc. (PAI)

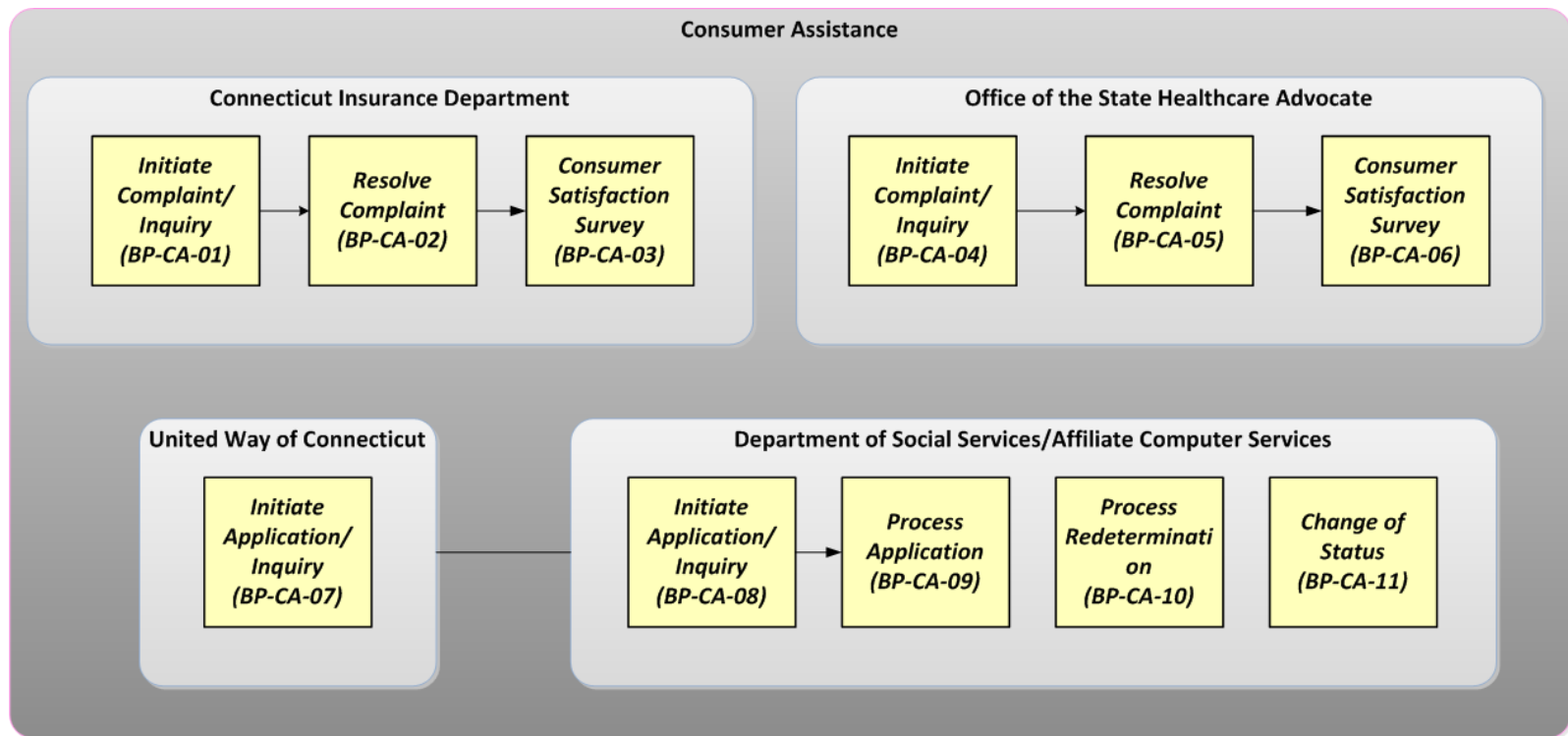
Current State Blueprint: Contents

- **Current State Assessment**
 - Includes an assessment as well as business process models representing the current state
- **Observations and Recommendations**
- **Strategic Considerations for Exchange Consumer Experience**

Overview of Existing Consumer Assistance Program Functionality

	CID	OHA	DSS		
			DSS	ACS	HUSKY hotline
Statutory Mandate	√	√	√	-	-
Population Served	Commercial	All CT residents	Medicaid recipients	Subsidized programs	Medicaid recipients
Type of consumer interaction	Phone, Web, email, fax, in-person	Phone, web, email, fax, mail, in-person	Phone, email, fax, in-person?	Phone, fax	Phone, email
Interaction w/entities other than consumers	√	√	√	-	-
Must refer to other agencies for full service	√	√	√	√	√
Web Presence	√	√	√	-	√
Call Center	-	-	√	√	√
IVR	-	-	√	√	√
Support languages other than English	Language Line	Language Line	Language Line, written materials in Spanish	Language Line	Spanish-speaking staff, written materials in Spanish
Communications created for distribution	√	√	√	-	√
Consumer Outreach Events	√	√	-	-	√
Social Media Presence	-	Facebook, blog	-	-	Facebook, Twitter
Billboards, TV commercials, radio	√	√	-	-	√

End-to-end Business Process Flow



Business Process Model Sample

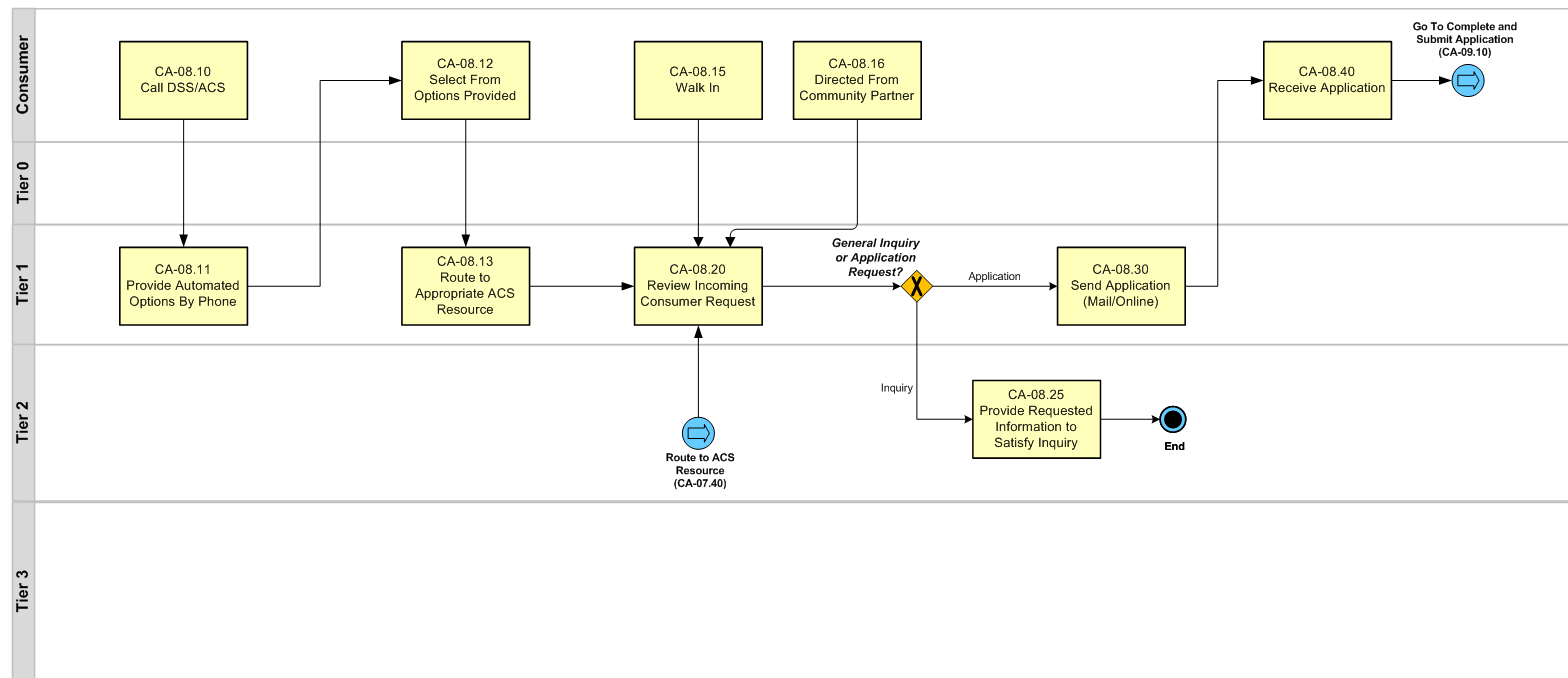
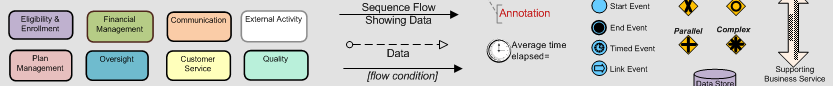
Consumer Assistance

BP-CA-08: Initiate Application/Inquiry Department of Social Services and Affiliate Computer Services

Synopsis

This process flow depicts the process of a consumer's application initiation or inquiry through the Department of Social Services or ACS.

Legend:



Key Observations

- No existing consumer assistance entity currently serves all of the health insurance needs of Connecticut consumers
- Existing consumer assistance programs are operating as silos
- Few opportunities for self-help exist
- No common method of identifying consumers exists
- Numerous 800 numbers and websites exist for consumer assistance
- Technology is outdated and lacks automation
- Staffing is constrained at consumer assistance programs and call centers
- Call Center hours of operation are limited
- Most locations have limited space to expand consumer assistance staffing
- Personnel responding to simple inquiries are often the same individuals resolving consumer assistance issues
- The entities reviewed are currently limited in terms of a formal program with, and management of, Navigator-like entities

Next Steps

Current State Blueprint

Consumer Experience Business and Technical Requirements

Consumer Experience Procurement Strategy

Technical Requirements and Contract Specifications

Questions and Answers

Committee | Next Steps

You will be provided the following documents by April 30 to review and discuss during the May Meeting:

- Briefing on Cost Sharing
- Overview of SHOP Exchange (if necessary)

Next Meetings: **June 12 or June 13**
Location TBA.

Wednesday, July 11 @ 1-3pm

Wednesday, August 8 @ 1-3pm

Committee | Public Comment